

MINUTES
BROWN COUNTY HOUSING AUTHORITY
Monday, March 21, 2016, 3:30 p.m.
Integrated Community Solutions, 2605 S Oneida Street, Suite 106
Green Bay, WI 54304

BCHA MEMBERS: Ann Hartman – Chair, Sup. Andy Nicholson – Vice-Chair, Tom Deidrick (by phone), and Corday Goddard

BCHA MEMBERS ABSENT: Andy Williams

ICS MEMBERS: Andrew Dilling and Kelly Runge

ICS MEMBERS EXCUSED: Randy Gast, Dave Wouters, and Lynn Green.

OTHERS PRESENT: Robyn Hallet, Casey Murphy, Stephanie Schmutzer, Lori DeGrave, Pat Leifker, Mackenzie Reed-Kadow, and Matt Roberts

APPROVAL OF MINUTES:

1. Approval of the minutes from the February 15, 2016, meeting of the Brown County Housing Authority.

A motion was made by C. Goddard and seconded by T. Deidrick to approve the minutes from the February 15, 2016, Brown County Housing Authority meeting. Motion carried.

NEW BUSINESS:

A motion was made by C. Goddard and seconded by T. Deidrick to take up agenda item six in order while there was a quorum because A. Nicholson had to leave early. Motion carried.

6. Discussion of any joint goals of BCHA and ICS.
 - A. Reducing costs related to port out vouchers.

R. Hallet explained these joint meetings are an opportunity for both boards of ICS and BCHA to meet and discuss similar concerns. One such concern surrounds the issue of portability. M. Roberts stated that there is often discussions regarding ensuring that the actions ICS and BCHA take are compliant with regards to the increasing volume of port outs occurring within the community. He stated that the port outs are generally being utilized in accordance with the federal regulations, but they need to be vigilant in this so as to not be unaware of fraudulent activity. M. Roberts further stated that a meeting with Forward Services on this matter didn't reveal any intentional decisions by anyone in the community to move to Brown County specifically to obtain a voucher which they would then use to transfer back to their state of origin. He asked for any suggestions or ideas for proactive preventative measures that should be taken regarding the large number of port outs.

R. Hallet expressed the BCHA and ICS are limited in what courses of action can be taken toward controlling whether or not residents decide to port, but that it is their responsibility to ensure it is not done in a fraudulent manner because portability has a major impact on both agencies financially.

A. Nicholson suggested this matter be tabled to the next meeting to allow members to think about this for some time.

C. Goddard inquired about actions other Housing Authorities have taken on this issue. M. Roberts stated he reached out on discussion forums on possible solutions. He explained the housing authorities in Cheyenne, Wyoming and Grand Forks, North Dakota where experiencing this issue and had found success through the implementation of preferences for admission; this has been a practice of the BCHA for a long period of time. M. Roberts explained he hasn't found any other courses of action taken by other PHAs which have produced positive results. These discussions were reassuring that we are already taking the necessary actions to curb fraudulent use of portability, but didn't produce any new ideas. He stated he would continue to research this. He added that in his discussion, the two PHAs said that their cities are known as "gateway communities", in which applicants are able to get a voucher and then use it to move to another community where they desire to live.

A. Dillings inquired about the effectiveness of preferences at the moment since there is no waiting list. M. Roberts confirmed that the recent amount of lease ups has reduced the waiting list to the point of nonexistence, which affects portability because when we selecting fewer families off the waiting list, we may only work through the top preference of elderly, disabled, veterans and homeless, which is generally not the population that requests portability.

(A. Hartman arrived at this time.)

A motion was made by A. Nicholson and seconded by C. Goddard to table this agenda item for the next Brown County Housing Authority meeting. Motion carried.

BILLS:

A motion was made by A. Nicholson and seconded by C. Goddard to take up the bills and financial reports. Motion carried.

S. Schmutzer explained the only item of note on the bills was repayment of TRIP interception for a specific client who declared bankruptcy, and thus BCHA is not entitled to recapture the funds through TRIP. This former client been removed from the TRIP system, but since this is a federal program she will be unable to receive federal assistance until she has paid the funds owed to the BCHA.

A motion was made by A. Nicholson and seconded by C. Goddard to accept the bills for this month. Motion carried.

FINANCIAL REPORTS:

S. Schmutzer explained it is too early in the year to have anything of note.

A motion was made by A. Nicholson and seconded by C. Goddard to place on file the financial reports for this month. Motion carried.

(A. Nicholson excused himself from the meeting at this point.)

COMMUNICATIONS:

2. Letter from HUD dated February 16, 2016, regarding HUD updates.

R. Hallet summarized the letter addressed to all Housing Authorities and included the following:

A congratulations to housing authorities for issuing 6,500 more vouchers than in December of 2014; HUD's fiscal year 2017, budget request; Capital Fund Awards (doesn't apply to BCHA); upcoming funding milestones; new affirmatively furthering fair housing requirements; smoke-free proposed rules for public housing (doesn't apply to BCHA) and the Lead the Way Training.

R. Hallet is proud to state that the BCHA is one of the 615 PHA registered in the Lead the Way Training. R. Hallet explained the Lead the Way Training program to the ICS board members who are unfamiliar with the resource. It is an online tool which can be used to familiarize commissioners with their roles and responsibilities for the PHA. R. Hallet invited the ICS Board members to also use the resource if they so choose. K. Runge voiced interest in exploring it.

3. Letter from HUD dated March 10, 2016, regarding HCV Inspections Program.

R. Hallet explained that this letter introduces potential changes for the way inspections are going to be conducted for the HCV program. Currently Housing Quality Standard (HQS) are used to measure the quality of properties, however, HUD is developing a new inspection protocol using Uniform Physical Condition Standards (UPCS), which is the standard used for Public Housing inspections. This letter serves to introduce PHAs to this upcoming change and also asks for volunteers to participate in a demonstration program using the new inspection assessment method.

A. Dillings inquired about the differences between HQS and UPCS inspection methods. R. Hallet explained there is less room for interpretation on the conditions of a unit in the UPCS method. M. Roberts stated there is a ranking system within the UPCS, with a fail ranking of 1, 2, or 3 for the various items. As of now the inspections are more subjective and there is more room for interpretation, whereas the UPCS inspections are more exact.

A. Dillings inquired about the benefits of volunteering to be part of the demonstration program. M. Roberts replied that there are many factors involved with considering volunteering, including time and cost. A. Dillings inquired about reimbursement for volunteering. There was general agreement it is too soon to know of this possibility. M. Roberts expressed that participating in the demonstration would be a great undertaking, but that he was receptive to considering it. C. Goddard inquired about if landlords or homeowners would be required to make renovations to the properties in order to be compliant with the new standards. A. Hartman stated some landlords would be required to do so since they are barely passing the current inspections. M. Roberts was in agreement with this statement, stating that many landlords would have to make changes to their properties to be compliant while other landlords would not. There may be a small number of landlords who would not want to undertake the work in order to be within compliance of the new standards.

REPORTS:

4. Report on Housing Choice Voucher Rental Assistance Program:

A Preliminary Applications

P. Leifker reported that for the month of February there were 213 preliminary applications

B. Unit Count

The unit count for the month of January was 3,072.

C. Housing Assistance Payments Expenses

The HAP expenses amounted to \$1,239,318.

D. Housing Quality Standard Inspection Compliance

There were a total of 480 inspections, of which 292 passed the initial inspection, 59 passed the reevaluation, 84 resulted in a fail, and 45 were no-shows.

E. Program Activity/52681B (administrative costs, portability activity, SEMAP)

P. Leifker stated that for the month of February there were 193 port outs with an associated HAP expense of \$160,151. The administrative expenses for ICS were underspent by \$14,413.44. The FSS program was underspent by \$3,890.95. A. Hartman inquired about the percentage of the expenses port outs consist of. P. Leifker made a rough estimate of 10 percent, but a more accurate can be made with calculations.

F. Family Self-Sufficiency Program (client count, participation levels, new contracts, graduates, escrow accounts, and homeownership)

M. Reed-Kadow stated that 72 participants are currently enrolled in the FSS program. Of that number, 47 participants are at level one, six are at level two, 10 are at level three, and nine are at level four. There were two new contracts established one graduate and zero terminations for the month of February.

M. Reed-Kadow concluded the FSS report by stating that there are currently 31 escrow accounts with a total \$4,531 deposited in February with the highest amount deposited for a participant being \$586. There are 57 homeowners.

M. Reed-Kadow relayed a success story of one of the participants indicating most of the participants are non-senior females. This participant is an elderly male who is looking to expand his social network and declutter his life in order to work part time and volunteer. He has attended all of the life skill events and appointments and demonstrated enormous growth within the program.

G. VASH Reports (new VASH and active VASH)

P. Leifker stated that there are no new VASH clients for the month of February. Currently, there are 30 participants in the VASH program.

H. Langan Investigations Criminal Background Screening and Fraud Investigations

P. Leifker stated that for the month of February there were six new investigations assigned, three previous investigations were closed, and eleven investigations are still active. There were 72 applications processed; of that number, 72 were approved. P. Leifker summarized the Initial Applications by Municipality and Fraud Investigation by Municipality charts.

5. Report on use of Administrative Reserves and HCV lease up.

P. Leifker explained this is the final report of the lease up project the BCHA authorized with use of Administrative Reserves. The information from this report is similar to the previous ones. From May of 2015 to February of 2016 there 2,070 applicants pulled from the waiting list. He allowed the board members to view the number of applications returned and completed compared to those which were not returned. The next item was the number of vouchers issued this period of time, including 346 clients that have chosen to port out. There were 662 clients who have leased up on the HCV program. P. Leifker explained the current waiting list as of March 1, 2016 is in the process of being depleted. The last item is the total amount of the cost to the BCHA for the entire duration of the project, which amounted to \$20,245.46. P. Leifker stated that the amount approved was \$35,000 so the final total reflects an underspending.

K. Runge inquired if the trend of port outs was concerning. P. Leifker explained in discussion he and R. Hallet had with HUD the trend of port outs was not a concern since the focus of HUD is on a nationwide scale, not specifically for one county. He further explained the high volume of port outs can be a result of the high number of lease ups with no waiting list. The high number of port outs should decrease now since the increased lease up project is over. There was a similar spike in port outs in June when there was a higher amount of applications when there was no waiting list. Word spread through the applicants of the rapid pulling from the waiting list which can be another contributing factor. A. Hartman suggested social media would be another way information about the depleted waiting list is spread. S. Schmutzer explained the PHA informs the local homeless shelters and other area service providers of when large number of applicants will be selected from the waiting list; this is to better serve the local community. There was a general discussion on the fluctuation of the waiting list in the past, either it expands dramatically or depletes just as rapidly. K. Runge inquired if it is preferable to have a longer waiting list. M. Roberts expressed that there are pros and cons, but the one positive is that when the waiting list grows, the limited resources of the BCHA can then be used to aid local residents who are staying in units for the long term. P. Leifker further explained the crucial factors regarding the waiting list are the preferences that are in place. A lot of time and effort went into creating and structuring preferences which coincide to the best degree with the jurisdiction of the BCHA.

R. Hallet explained this is the last time this report will be present be to the board since the time frame for the use of Administrative Reserves has expired. She stressed, however, that the BCHA must continue to spend down the reserves per HUD's mandates. Other ideas on ways to spend down the reserve will be brought forth to the BCHA in next month's meeting. A. Hartman inquired if the total amount of the funds must be spent down. R. Hallet explained the PHA must be spent down to a newly implemented threshold of 6 percent of the total budget. The threshold was recently decreased from 8.5 percent. S. Schmutzer explained the new goal of Congress is to focus on results on a national scale, specifically of spending down the overall total of PHA reserves, in order to house the greatest number of low-income families.

OLD BUSINESS:

None

INFORMATIONAL:

7. Review of Asset Management section of Lead the Way training.

R. Hallet presented the Asset Management section of the Lead the Way training to the Authority, stating that it doesn't directly apply to BCHA since Asset Management is in

regards to Public Housing; however, the Authority members still expressed interest in reviewing it. The members took the quiz of this section together. In the next meeting the Authority will go over Housing Choice Voucher Program section, which will be especially relevant.

8. Presentation of ICS's annual report for 2015.

M. Roberts explained that the 2015 report is in the same format as the 2014 report so comparisons can be made. The most significant change from the 2014 report lies with the section on the waiting list, for the reasons discussed above. Aside from this, the two years of the reports show consistency in many ways: in regards to who the program is helping, both reports indicate that 60 percent of program participants are designated elderly or disabled; in regards to income of program participants, the reports consistently show that more than half of the households have earned income; regarding unit type, both reports indicate that apartments are the most commonly used housing type. M. Roberts allowed the board members to look over the report in detail. He expressed his satisfaction with the work the ICS team has put into this report and how useful the data compiled will prove to be.

S. Schmutzer inquired about if the report includes the total number of FSS graduates and total amount of payout made from escrow accounts for 2015 year. She expressed this information is needed for her audit. M. Reed Kadow explained the total amount of payouts from escrow accounts is within the report.

R. Hallet pointed out that there are three occurrences of census tract charts within the report: one for homeownership, another for FSS, and the last for the entire HCV program. She pointed out that on all three it appears there many have been an error made in the delineation of west side versus east side as some of the locations that appear on the chart as being on the west side are actually on the east. She explained that this is based on how different parts of town are assigned to ICS's. M. Roberts explained the former inspector worked part time in inspections and also served in other roles the agency. The zones shifted in order to accommodate for this. Now that there is a full time inspector, zone 8 will return to the east side.

STAFF REPORTS:

9. Date of next meeting: April 18, 2016.

A motion for adjournment was made by C. Goddard, seconded by T. Deidrick. Motion carried. The BCHA meeting for March 21, 2016, adjourned at 4:16 pm.

CM: RAH: JD